

CITY OF LONG BEACH

DEPARTMENT OF PLANNING & BUILDING

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ZONING DIVISION

October 7, 2004

CHAIRMAN AND PLANNING COMMISSIONERS

City of Long Beach
California

SUBJECT: Certification of EIR (State Clearinghouse No. 2001051048), Request for Approval of a Development Agreement, Vesting Tentative Map, Rezoning, General Plan Amendments, and Adoption of Design Guidelines to Subdivide the Former McDonnell-Douglas Aircraft Manufacturing Plant in Order to Allow Mixed-Use Development of the Site (Council District 5)

LOCATION: 3855 Lakewood Blvd.

APPLICANT: Boeing Realty Company
P.O. Box 200
Long Beach, CA 90846-0200

RECOMMENDATION

1. Certify Environmental Impact Report 36-02 and Adopt a Statement of Overriding Considerations and Mitigation Monitoring and Reporting Program;
2. Recommend the City Council Adopt an Ordinance To Authorize the Execution of the Douglas Park Development Agreement by the City Manager on Behalf of the City;
3. Recommend the City Council Adopt a Resolution to Establish a Fee for the Annual Review of a Development Agreement;
4. Recommend the City Council Adopt the Proposed Amendments to the Douglas Aircraft Planned Development (PD-19) Ordinance;
5. Recommend the City Council Adopt the Rezoning of the Site from Douglas Aircraft Planned Development (PD-19) and CCA (Community Automobile-Oriented District) to Douglas Park Planned Development (PD-32);
6. Recommend the City Council Adopt the Douglas Park Planned Development (PD-32) Ordinance;
7. Adopt the PD-32 Design Guidelines;
8. Approve Vesting Tentative Tract Map No. 61252, subject to conditions;

9. Recommend the City Council Adopt a Resolution to Amend the Land Use, Transportation, and Noise Elements of the General Plan and the Bicycle Master Plan; and
10. Recommend the City Council Adopt the Proposed Amendments to Section 21.37.020, 21.29.090 and the Noise District Map of Section 8.80.160 of the Municipal Code.

REASON FOR RECOMMENDATION

1. The Project will provide for a well-balanced community offering planned and protected residential districts, an adequate park and recreation system for all future residents, well-planned commercial districts, and a coordinated circulation system for safe, and efficient movement of people and commodities;
2. The proposed rezoning of the site is consistent with the General Plan, as amended and allows the reutilization of an underutilized site;
3. The Project will maintain and enhance a major employment center in the City of Long Beach;
4. The Project will locate new multi-family housing in proximity to growing employment centers to decrease travel time, reduce traffic congestion, lessen energy consumption and improve air quality;
5. The proposed Development Agreement provides positive economic benefits to the City of Long Beach at full build-out, as well as contributions to park development, affordable housing, and street beautification;
6. The Project will improve the urban environment in order to make Long Beach a more pleasant place to live, work, play and raise a family;
7. The Project will result in construction of transportation improvements that will mitigate almost all of the traffic impacts of the Project;
8. The Project will provide for the protection of the City from potential exposure to airport noise-related litigation initiated by future residents of the Project through aviation easements and provides for the location of residential uses in areas of the Project site least impacted by airport noise;
9. The significant economic, legal, social, technological and other benefits of the Project outweigh and override those potentially significant adverse environmental impacts of the project identified in the EIR; and
10. The proposed Douglas Park Planned Development (PD-32) and Douglas Park Design Guidelines provide for appropriate and attractive development of the Project site.

I. BACKGROUND

The Project site (See Figure 1) consists of 238 acres within the City of Long Beach and is bordered on the south by Long Beach Municipal Airport, on the west by Lakewood Country Club and Long Beach Municipal Airport, on the north by Carson Street (to the north of which lies single family residences oriented with their rear yards to Carson Street) and to the east by Lakewood Boulevard (to the east of which lies commercial and industrial uses, including the Boeing 717 Assembly Facility).

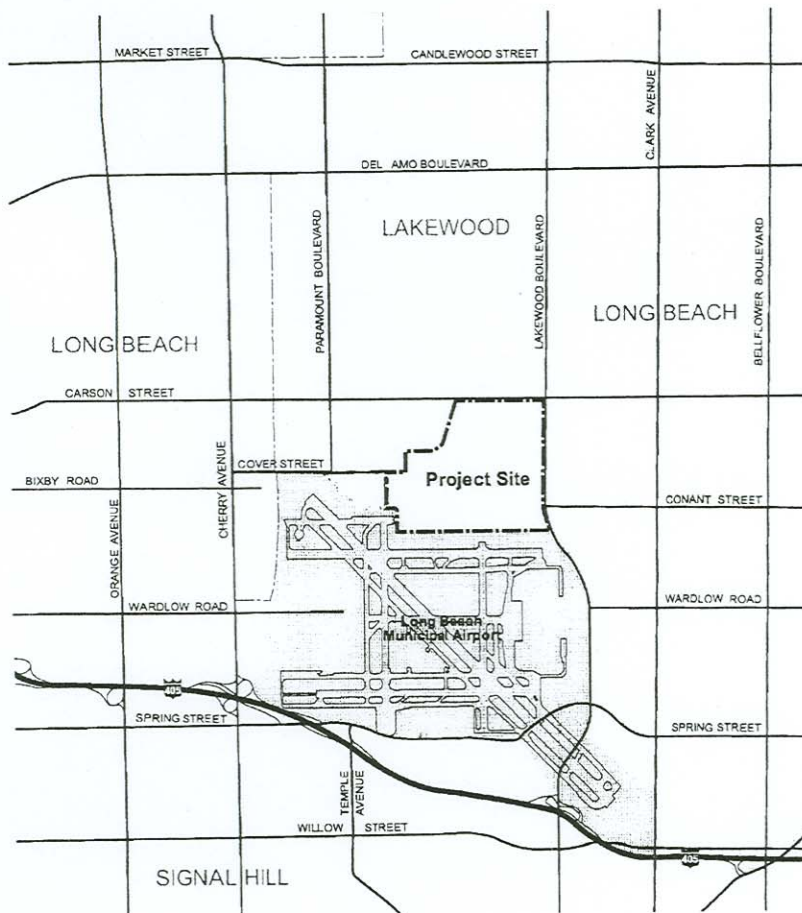


Figure 1: Location Map

The Project site was previously developed with more than five million square feet of research and development, office, warehousing, aircraft manufacturing and other aviation-related floor area in support of aircraft manufacturing uses dated as far back as 1941, prior to current demolition activities. The development of the Douglas Plant, named after the founder of the Douglas Aircraft Company, Donald W. Douglas, was initiated in 1940 in response to the start of World War II. The plant was the first of its kind under President Roosevelt's national "Arsenal of Democracy." Following World War II, the Korean War and the deepening Cold War, the United States government continued operation of aircraft manufacturing plants to provide for permanent defense readiness in order to respond to threats to national security. The Douglas Plant in Long Beach was dedicated to the production of aircraft for the Air Force during this time.

In the mid 1950's, Douglas Aircraft Company broke ground on a commercial aircraft manufacturing plant on the east side of Lakewood Boulevard to compete in the emerging jet airliner market. In 1961, Douglas decided to separate commercial aircraft from missile and space operations. The Douglas Plant in Long Beach was turned over to the newly created Aircraft Division and construction began on a 9-story administrative headquarters and 3-story engineering and product development structure. In 1967, the Douglas Aircraft Company merged with the McDonnell Corporation, a leader in jet and rocketry technology. The newly formed McDonnell Douglas Corporation was poised to remain competitive in the aerospace industry.

Meanwhile, during the Cold War, another leader in the aerospace industry, the Boeing Airplane Company became a successful developer of ballistic missiles and space technology. In 1996, Boeing merged with Rockwell International's aerospace and defense units, and was renamed Boeing North American, Inc ("Boeing"). The following year, Boeing merged with McDonnell Douglas, thereby becoming the world's largest commercial jetliner manufacturer and NASA's largest contractor.

In 1999, the original Douglas Plant on the west side of Lakewood Boulevard in Long Beach shut down, resulting in 261 acres (23 acres within the City of Lakewood and the remaining 238 acres in the City of Long Beach) of surplus property and causing most of the five million square feet of aviation-related manufacturing and support buildings to become vacant. The exception was a 48-acre facility within the middle of the site dedicated to final aircraft preparation, testing, and administration for two adjacent aircraft manufacturing facilities still operated and maintained by Boeing, known as the "Boeing Enclave". With no noteworthy competitors in the commercial jetliner industry, the reuse of the original Douglas Plant (the "Project site") in Long Beach by another company was improbable.

A history of heavy industrial uses on the site has negatively impacted the soil and groundwater quality both on- and off-site. In 1995 the California Regional Water Quality Control Board – Los Angeles Region (LARWQCB) issued Cleanup and Abatement Order (CAO) No. 95-048, which was amended in 2000, to McDonnell Douglas, the previous site operator. The CAO applied to all portions of the Long Beach Plant. In response to the original and amended CAO, Boeing has implemented a comprehensive environmental assessment and remediation program in coordination with LARWQCB. Regulatory approval for "No Further Action" (NFA) and closure for soils in Environmental Investigation Areas (EIAs) that comprise a total land area of 204 acres (representing approximately 80 percent of the site) has been received from the LARWQCB. Regulatory approval of the remaining EIAs is still pending.

The Project site and two adjacent aircraft manufacturing facilities owned and operated by Boeing comprise the Douglas Aircraft Planned Development (PD-19). PD-19 was established in 1986 in response to expansion plans of the McDonnell Douglas Corporation. The permitted uses for PD-19 are listed as "office, research and development and aircraft manufacturing and fixed base operations." Given the unique intent of this planned development, the redevelopment of the project site requires comprehensive changes to the existing zoning patterns.

II. INITIAL PLANNING EFFORTS

Approximately four years ago, Boeing announced plans to redevelop the Project site. The first formal proposal by Boeing included a mix of commercial and residential uses consisting of 8.4 million square feet of commercial uses, 600 hotel rooms, and 3,800 residential dwelling units primarily in the form of apartment flats and townhomes. Additionally, this initial proposal exhibited residential densities as high as 70 dwelling units per acre, a lack of integrated housing choices, an inadequate sum of open space and amenities for residents, a lack of reference to the site context and a disorganized circulation system.

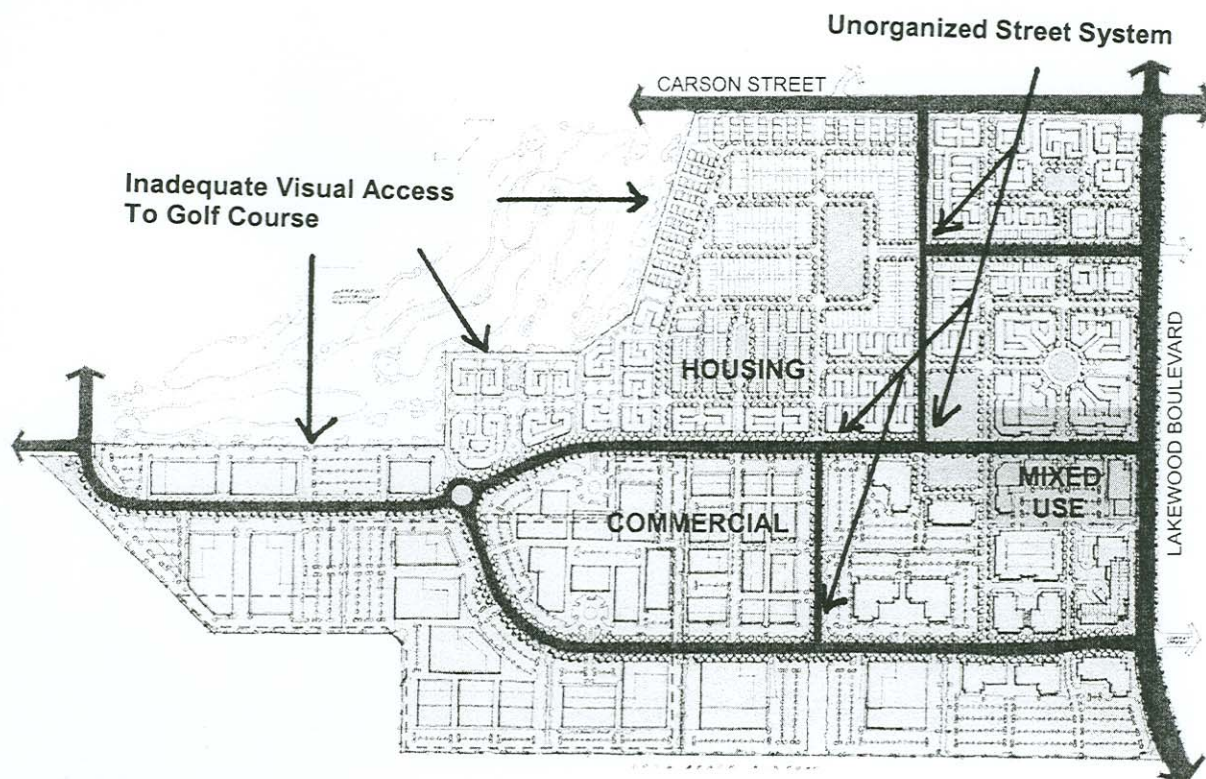


Figure 2: Previous Proposal

Boeing began community involvement early in the planning stages through the development of four Task Forces (East, North, West, and Lakewood) composed of City staff, neighborhood leaders and the applicant's planning team. The purpose of this community involvement was to focus on issues concerning immediately affected neighbors of the Project by providing a forum for community members to participate in the planning process prior to public hearings. Meetings over the past two years have resulted in greater attention to Project design, enhanced public understanding of Project Objectives and modifications to the Project in response to community concerns such as increased home ownership within the Project, increased single-family residential development within the residential portion, a reduction in the total number of residential dwelling units, improving the Project's response to its context and improving circulation through the site. Over the course of the planning phase, the commercial portion of the Project has been reduced by 5.1 million square feet and 200 hotel rooms and the residential portion was reduced by 2,400 residential dwelling units.

III. PROJECT DESCRIPTION

The applicant is now requesting approval of the requisite entitlements to redevelop the 238-acre Project site into a phased mixed-use development with the following features:

- Up to 3.3 million square feet of high job-producing commercial floor area including office, research and development, light industrial, and aviation-related uses;
- Up to 200,000 square feet of retail (to be counted towards the 3.3 million square feet of commercial);
- Up to 400 hotel rooms;
- Approximately 10.5 acres of parkland and 2.5 acres of open space, including the extension of a Class I bicycle path through the site; and
- Up to 1,400 dwelling units.

Commercial uses will be located on approximately 137 acres in the southern portion of the site, including aviation-related uses adjacent to the Airport. Residential uses will be located on approximately 101 acres in the northern portion of the site. Low- and medium-density housing will be located in the western portion of the housing area, and will allow for single family detached homes, townhomes, row houses, condominiums, and townhome/flat combinations. Medium- to high-density housing will be located on the eastern portion of this housing area including condominiums, apartments, townhomes, row houses, and townhome/flat combinations. The Project will include recreational and open space amenities including approximately 13 acres of public parks and open space in the residential portion.

The Project is not anticipated to be fully developed until approximately the year 2020, and is intended to preserve flexibility to respond to market conditions as they emerge over the course of the development period while also addressing needs for infrastructure for residential and commercial development. The phasing plan will initially focus on the development of housing, parks, site infrastructure for commercial uses, and the development of commercial uses based on market demands, with later phases involving further commercial development.

Site infrastructure allows for necessary vehicular circulation within and through the Project site with a network of local and collector streets that align with adjacent streets, where desirable, to provide for an efficient traffic system (see Figure 3). Block sizes are smaller in the residential area to provide a pedestrian-friendly character, while block sizes in the commercial area are larger with “optional” streets to provide for flexibility in the eventual development of commercial and light-industrial uses.

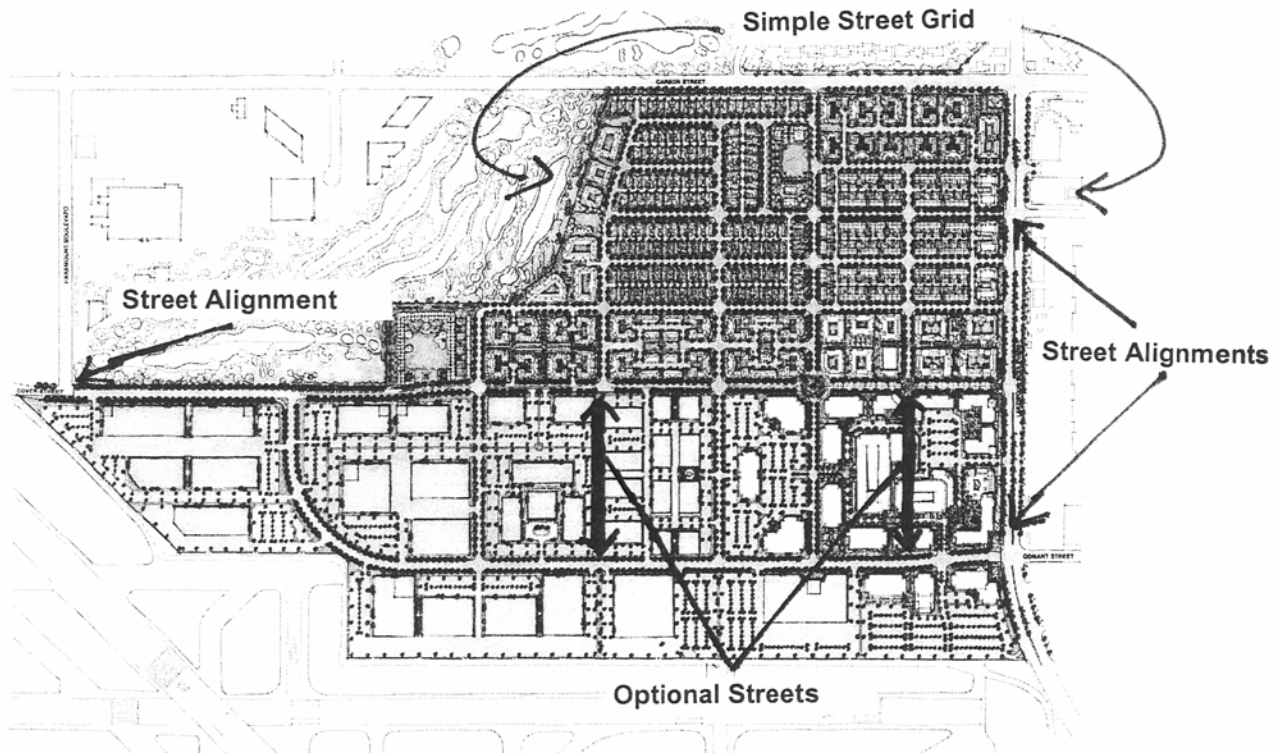


Figure 3: Illustrative Site Plan

IV. PROJECT OBJECTIVES

The applicant has developed a set of objectives after consideration of relative goals, objectives, and policies established by the various planning documents adopted by the City of Long Beach. These Project objectives fall under four primary categories: (1) General Objectives; (2) Design Objectives; (3) Development Implementation; and (4) Economic Objectives. A detailed description of these objectives may be found in Section III, Project Description, of the EIR while a summary of the objectives is provided below. Section 15124(b) of the State California Environmental Quality Act (CEQA) Guidelines requires the provision of project objectives in order to effectively evaluate the merits of the proposed project.

General Objectives

The general objectives directly relate to or support the text, goals, objectives and/or policies of the City of Long Beach planning documents. These objectives reinforce specific goals of the Land Use and Open Space Elements of the Long Beach General Plan and the Long Beach Strategic Plan and generally address the following concepts:

- Maintain and enhance employment centers;
- Concentrate new housing in proximity to growing employment centers;
- Replacing underutilized and deteriorated commercial and industrial structures with carefully designed, quality residential uses; and
- Provide usable open space tailored to project-generated recreational demands

Design Objectives

The Design Objectives developed by the applicant are intended to enhance the public acceptance and long term value of the project. They relate primarily to the site planning and community character of the project site and address the following concepts:

- Provide infrastructure and amenities to attract and support quality commercial tenants and a stable residential neighborhood;
- Provide for uses on the Project site that are not only internally compatible, but compatible with surrounding uses as well;
- Provide for a variety of residential and commercial uses in order to develop a sense of community identity for future residents and employees of the Project site; and
- Establish design guidelines that will create an attractive setting through building design and the design of public areas such as sidewalks, streets, parks and parkways.

Development Implementation Objectives

The Development Implementation Objectives include the applicant's desire to make the proposed Project viable and attractive, in terms of land use, development intensity and site design. In doing so, the primary objective is to create the physical layout, development standards, and design guidelines that provide flexibility in order to respond to market demand.

Economic Objectives

The Economic Objectives indicate the applicant's desire to optimize the land value of the Project site while optimizing its contribution to the fiscal well-being of the City of Long Beach. The applicant states that the Project will contribute toward the social and economic stability of the City of Long Beach and the region by providing housing opportunities and job creation opportunities.

The housing market has improved significantly over the last decade and shows no signs of fading. Creation of 1,400 dwelling units would help to satisfy housing demand in a region that is forecasted to experience significant population growth. Meanwhile, the commercial office market has been soft over the past several years and absent a significant and rapid improvement in the regional economy, the prospect of leasing large amounts of commercial space at rates that support new construction is very bleak. Therefore, the Project attempts to anticipate and encourage job-creating commercial development by providing valuable infrastructure ahead of market demand, an estimated value of \$40 million.

The City's economic development consultants, Keyser Marston Associates Inc., have provided an independent analysis of the viable redevelopment options available to Boeing and indicate that the current Project provides a rational option given current market conditions (see attachment 14).

IV. ENVIRONMENTAL ANALYSIS

In order for the Planning Commission to make an informed decision regarding the Project, Environmental Impact Report (EIR) State Clearinghouse No. 2001051048 has been prepared in accordance with Public Resources Code Section 21100. A Notice of Preparation (NOP) for a Draft EIR (DEIR) regarding the Project was originally circulated in May 2001. A revised NOP was circulated in November 2002 to reflect changes that were made to the Project, while a scoping meeting was held for the Project on December 2, 2002, to obtain input as to the scope and content of the environmental information about the proposed Project that should be explored in the EIR. The DEIR was released February 2004 and circulated for an extended 60-day public review period, rather than the 45-day public review period as required by the CEQA. Written comments received during this period were responded to and released in a Final EIR (FEIR) in September 2004 (see attachment 12).

The Project EIR indicates that there are several outstanding issues to be contemplated by the policy-makers. Outstanding issues include those areas where potentially unavoidable significant impacts to the environment are identified by the EIR and hazards and noise associated with placing residential uses in close proximity to the Long Beach Airport. The following discussion includes an analysis of potential environmental impacts caused by implementation of the Project, alternatives to the Project contemplated by the EIR, Mitigation Measures required in order to lessen potential environmental impacts to insignificant levels where possible and analyze the Project's compatibility with the Airport in the areas of noise, hazards and land use

Environmental Impact Analysis

The FEIR identifies the following as unavoidable environmental impacts resulting from implementation of the Project. However, staff finds that significant economic, legal, social, technological and other benefits of the Project outweigh and override those potentially significant adverse environmental impacts of the project identified in the EIR (as described in attachment 13):

Air Quality: Although local operational air quality impacts will be less than significant, construction emissions associated with the Project will be significant and unavoidable, and regional operational air pollutant emissions for CO, NOx, PM10, and ROC will exceed SCAQMD regional thresholds and therefore impacts will be significant and unavoidable.

Noise: Implementation of the Project will result in increased short-term and intermittent noise levels associated with construction relative to existing conditions, particularly in the vicinity of adjacent, residential uses and proposed on-site residential uses. While most noise levels associated with operation of the Project are less than significant, including airport noise, aviation-related noise, and like noise, noise levels associated with vehicular traffic will result in significant and unavoidable mobile noise impacts on Conant Street east of Lakewood Boulevard and Cover Street west of the Project site. A more detailed discussion on noise is located in the "Airport Compatibility" section below.

Transportation/Circulation and Parking: Generally, project-related traffic volumes can be reduced to less than significant levels with mitigation, however, short-term construction traffic, and traffic associated with project operation at the intersections of Carson Street and Lakewood Boulevard, and Spring Street and Lakewood Boulevard are expected to result in significant and unavoidable traffic impacts. Bicycle and pedestrian environments will be improved through implementation of the Project and associated impacts will not only be less than significant but also beneficial.

Cumulative Impacts: The Project may create significant cumulative impacts that cannot be mitigated with regard to construction noise and operational traffic noise, construction and operational traffic, cultural resources, hydrology and public services.

With regard to cultural resources, the archaeological assessment conducted for the Project did not determine the existence of any previously identified archaeological resources within the Project site; however, there is a potential of encountering unknown, buried archaeological resources during construction activities within the Project site, and thus may result in potential cumulative impacts related to the disturbance of previously unknown archaeological resources. With regard to hydrology, downstream culverts under Lakewood Boulevard will not be adequate to accommodate projected storm flows due to an existing deficiency that will be maintained, causing cumulative impacts of the Project to be significant in this area.

The Project may create significant environmental impacts that cannot be mitigated by the Applicant with respect to public services, including Police, Libraries, Fire Protection and Emergency Medical Services. Implementation of the Project will result in increased demand for each of these public services and recurring revenues should be sufficient to address the costs of these increased services. However, the Project EIR finds that since the Project applicants have no control over the implementation of these services, potential significant cumulative effects may occur as a result of the Project.

Project Alternatives

In order to determine whether alternatives to the Project could result in less environmental impacts, the EIR analyzed four alternatives to the Project, as described in Section VI, Alternatives, of the EIR. Of the alternatives analyzed in the EIR, the No Build Alternative is considered the overall Environmentally Superior Alternative (ESA). The No Build Alternative assumes no development at the Project site, resulting in a lost opportunity for economic and social development for the City of Long Beach and the surrounding region. In accordance with the CEQA Guidelines requirement to identify an ESA other than the No Project Alternative, a comparative evaluation revealed that the proposed Project resulted in less environmental impacts than all other alternatives. In addition, the Project generally meets all of the Project Objectives discussed in the "Project Objectives" section above.

Mitigation Monitoring and Reporting Plan

A Mitigation Monitoring and Reporting Program (MMRP) was prepared in order to monitor implementation of all feasible mitigation measures as identified in the EIR. The complete MMRP can be found in Appendix A of the EIR. However, these mitigation measures have been incorporated into the conditions of approval verbatim in order to ensure compliance with the EIR. In addition to the MMRP, the following Project Features were used in the environmental analysis and therefore, staff has incorporated these features as conditions of approval:

- Above-ground storage of flammable liquids or toxic materials in a designated RPZ will be avoided to the extent feasible. In the event that such storage would be necessary within a designated RPZ, the quantity will be less than 100 gallons of flammable liquids or toxic materials on any one net acre.
- Uses that may direct a steady or flashing light of red, white, green, or amber colors toward aircraft engaged in takeoff or landing within a RPZ will not be permitted.
- Any uses that would attract large concentrations of birds, emit smoke, or that may otherwise affect safe air navigation will be avoided.
- Uses that could generate electrical interference that may be detrimental to the operation of aircraft and/or aircraft instrumentation will be avoided.
- Future development on the site will connect to the on-site reclaimed water system for landscape irrigation needs, as feasible.
- Landscaping within the public right-of-way and the public park will be watered using reclaimed water, to the extent feasible.
- When demolition activities within the Boeing Enclave occur as part of the separate and ongoing remediation program, building and hardscape materials will be reused on-site to the extent feasible.
- A fee for affordable housing shall be paid by the Applicant as set forth in the Development Agreement.

Airport Compatibility

As described above, the Project EIR did not find significant unavoidable impacts with regard to the Project's compatibility with the Airport. Potential conflicts could occur in the way of Land Use Planning, Noise and Hazards; however, according to the FEIR, the Project Features and Mitigation Measures are considered adequate in addressing potentially significant environmental impacts. The DEIR identifies four primary regulatory agencies that provide guidance for development near airports and a fifth that is advisory in nature. The DEIR found that the Project is responsive to the guidance provided by these agencies, as evidenced below.

Regulatory Agencies

City of Long Beach – The City of Long Beach has three primary airport-related documents that were studied in the DEIR: the Airport Layout Plan, the Noise Ordinance, and the Runway Approach Zones Map. In response to these documents, All proposed buildings will be located outside of the Runway Protection Zones (RPZ) and No-Build zones. The Project will also prohibit the storage of more than 100 gallons of flammable liquids or toxic materials on any one acre in the RPZ's, prohibit any use that would direct a steady or flashing light toward aircraft, prohibit uses that would attract large concentrations of birds or emit smoke in the RPZs and prohibit construction of anything that would generate electrical interference with aircraft operation. Additionally, while regulations only require that residential uses be located outside of the 65 CNEL, 100 percent of the residential uses are proposed in locations that are outside of the 60 CNEL, while 85 percent of the residential uses are proposed in locations that outside of the 55 CNEL.

Los Angeles County Airport Land Use Commission – This Commission has prepared the Los Angeles County Land Use Plan, which contains the Land Use Compatibility Table. The Project complies with the guidance of this Table and in most cases far exceeds the recommended standard. In addition, this Commission reviews compliance with RPZs.

Federal Aviation Administration (FAA) – FAA Part 77 primarily provides height and obstruction related guidance. In all cases, the Project exceeds the recommended standard. In addition, PD-32 requires that new development receive approval from the FAA prior to plan check approval through the filing of form 7460-1, Notice of Proposed Construction or Alteration.

California Department of Health Services – This Department provides guidance for noise exposure. All land uses lie within CNEL noise levels that are defined as the Department's most favorable standard, "Normally Acceptable."

California Department of Transportation – Division of Aeronautics (DOA) – Caltrans-DOA is an advisory body to the Los Angeles County Airport Land Use Commission and has produced the *Caltrans Airport Land Use Planning Handbook* (Caltrans Handbook). The Caltrans Handbook does not constitute formal State policy or regulation, but rather, is intended to provide basic guidance in establishing noise and safety compatibility criteria. Aside from the uses shown in Figures 4 and 5 as being potentially incompatible, all of the proposed uses on the Project site, including residential, office, hotel and retail, represent an acceptable form of development pursuant to the Caltrans Handbook guidelines. Mitigation measures are required to eliminate potential incompatibilities with respect to Runways 16L/34R and 25R/7L and are included as conditions of approval. Thus, there are no potentially significant impacts associated with airport hazards.

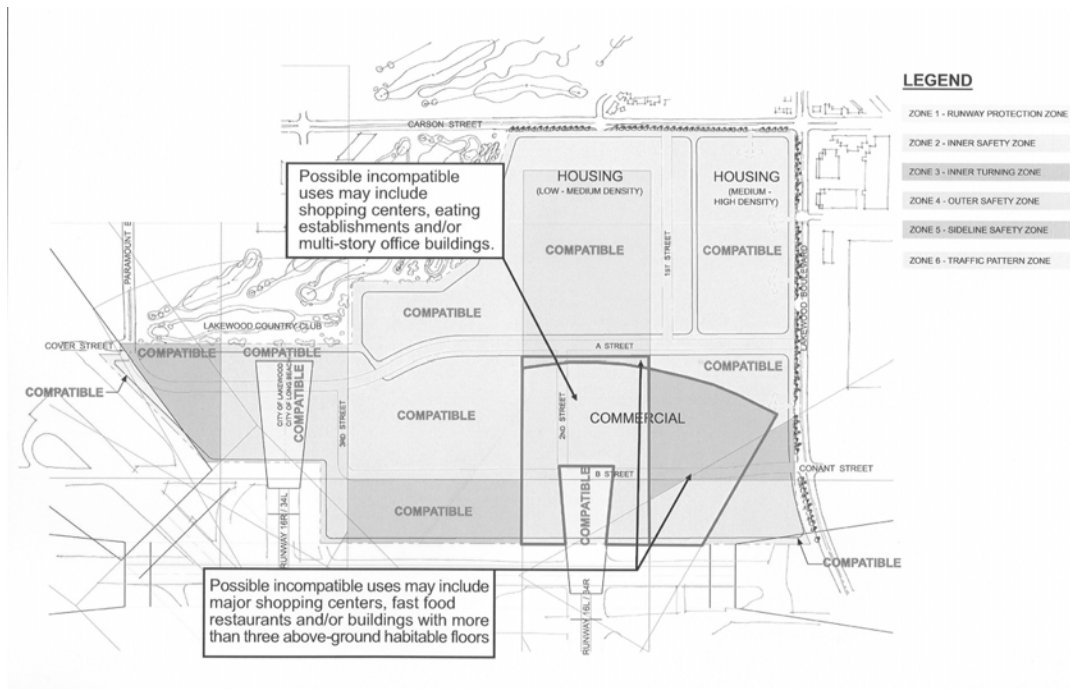


Figure 4: Runway 16L/34R Compatibility

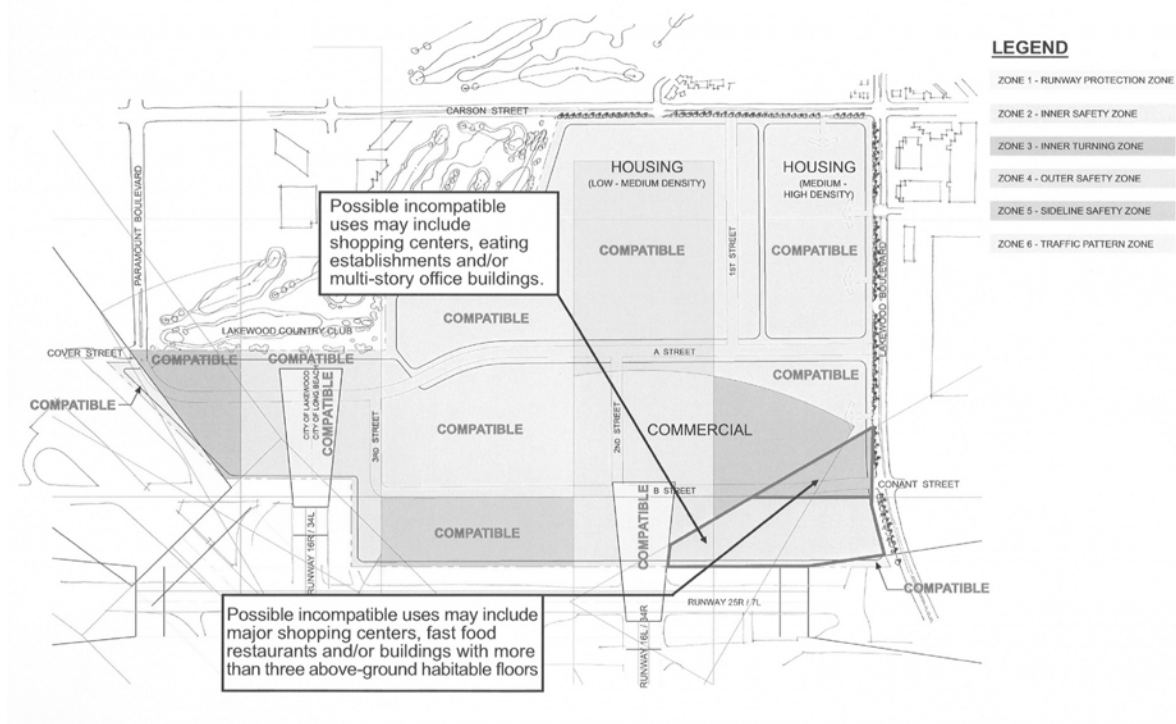


Figure 5: Runway 25R/7L Compatibility

Other Airport Considerations

The Project proponents have taken several steps beyond basic regulatory compliance in order to ameliorate the concerns of the Long Beach Airport. These include the following:

- Reducing unit count from 3,800 homes to 1,400 homes;
- North/south roadway (shown as “4th” Avenue on Figure 11) moved to align with runway 16L;
- Incorporation of Development Standards and Design Guidelines to require and encourage site planning that is complementary to basic airport functions and thereby reducing potential hazards;
- An Avigation Easement to be granted by all property owners in favor of the Long Beach Airport waiving their right to litigate against the Airport or the City; and
- Allow aviation-related uses along the southern portion of the site.

V. DEVELOPMENT AGREEMENT

The applicant is requesting the Planning Commission recommend the City Council adopt an ordinance to authorize the execution of the Douglas Park Development Agreement by the City Manager on behalf of the City. Development Agreements are regulated by the provisions of Article 2.5 of Chapter 4 of Division 1 of Title 7 (commencing with Section 65864) of the California Government Code, and by Chapter 21.29 of the Long Beach Municipal Code. The development agreement is intended to provide certainty for the Boeing Realty Company in the approval of the Douglas Park development project.

Development Agreements are useful tools for large projects that will be built out over many years. The lack of certainty in the approval of large-scale phased projects often discourages investment in and commitment to comprehensive planning efforts by a developer. A Development Agreement provides a developer with a level of certainty about the land use requirements being imposed by a municipality, and it provides a city with the opportunity to undertake a comprehensive planning effort and to advance its local planning policies. Development Agreements have three defining characteristics:

- They allow greater latitude than other methods of approval to advance local land use policies in sometimes new and creative ways;
- They allow public agencies greater flexibility in imposing conditions and requirements on proposed projects; and
- They afford project proponents or developers greater assurances that once approved, their projects can be built without concern that future regulatory standards will materially affect later phases of the development.

Because a Development Agreement is not subject to traditional restrictions or exactions, a municipality may condition a project's entitlements on the provision of benefits and exactions that it might not otherwise legally require. A Development Agreement can also provide greater flexibility to incorporate land use concepts and components that are tailored specifically to address a particular community concern.

A. Required Content of Development Agreement

Pursuant to Chapter 21.29 of the Zoning Regulations, a Development Agreement must contain provisions that:

1. Specify the duration of the agreement;
2. Specify the permitted uses of the property;
3. Specify the density or intensity of use;
4. Set forth the maximum height and size of the proposed buildings; and
5. Set forth provisions, if any, for reservation or dedication of land for public purposes.

B. Summary of Deal Points

Staff and Boeing have negotiated the terms of a Development Agreement for the development of the project. In order to appropriately offset potential impacts of the Project as well as provide for a balanced and beneficial Project, the Douglas Park Development Agreement includes several major deal points, as described below:

Land Use Issues

- Proposed PD-32 will prohibit stand-alone warehouse or distribution functions.
- PD-32 will prohibit residential uses south of "F" Street.
- Commercial infrastructure shall be provided in advance of any market demand and will be linked with development of residential units.
- Prohibits residential land uses outside of the 60 CNEL noise contour as it currently exists.

Off-Site Landscape Improvements

- Complete landscape improvements in median and in parkways adjacent to sidewalks along Lakewood Boulevard between Conant Street and Carson Street.
- Maintain Lakewood Boulevard landscape improvements in perpetuity (same as their existing obligation on the portion of Lakewood Boulevard between Spring Street and Conant Street).

Parks and Recreational Open Space

- Dedicate and improve 9.3 gross acres of new public parkland. Four parks will be provided, ranging in size from 0.5 acres to 6 acres. Delivery of parks shall be contingent upon phasing of commercial infrastructure and remediation of sites to regulatory standards.

- Dedicate and improve 1.2 acres of new private open space. Private open space shall be provided in the form of a community pool, tennis court and landscaped pedestrian connections to the public bike path.
- Dedicate and improve approximately 2.2 gross acres of new bike path segments.
- Boeing, its successor in interest, or the eventual homeowner association, will be responsible for cost of all park improvements, including the public parks, in perpetuity.
- In addition to providing parks within the project site, Boeing shall be required to pay park impact fees at the current rate (approximately \$3 million based on 1,400 residential units).

Off-Site Transportation Improvements

- Traffic improvements will be made to 12 intersections surrounding the Project site.
- Boeing will be required to design and implement ATCS ("smart signal") program on 8 major arterials surrounding the Project site.
- Boeing will fund the creation of a program to address localized neighborhood impacts, to be administered by the City's Traffic Engineer.

Other Deal Points

- Boeing will contribute up to \$3 million to the City for affordable housing programs, at the City's sole discretion. Payment of the affordable housing fee will be linked to the phasing of the infrastructure.
- Boeing will grant an Avigation Easement to the benefit of the City, providing legal protection for the City against claims related to standard Airport operations.
- Boeing and Long Beach Unified School District have negotiated a separate agreement which provides for the payment of school fees in excess of statutory requirements.

City Obligations

- Rezone Project site to PD-32 to allow for the development 101 acres of land for residential and open space uses and 137 acres for commercial uses.
- Freeze park and sewer impact fees at current rates for the term of the Development Agreement.
- Waive traffic impact fees in exchange for enhanced off-site traffic improvements.
- Designate a "Project Coordinator" who will be primarily responsible for coordinating all land use permits.
- Conduct an annual review of compliance with the terms of the Development Agreement.

VI. GENERAL PLAN AMENDMENTS

The applicant is requesting the Planning Commission recommend the City Council adopt amendments to the Land Use, Noise and Transportation Elements of the General Plan and the Bicycle Master Plan. California state law requires each city to adopt a general plan for their long-term physical development consisting of a series of development policies and objectives. A summary of the proposed map and text amendments are provided below, while detailed changes are shown in Attachment 7.

Land Use Element

The Land Use Element divides the City into 20 land use districts, which provide general guidance as to the type and density of land uses considered appropriate. The Project traverses two Land Use Districts: LUD No. 12 (Airport/Port) and LUD No. 7 (Mixed Use). The southern portion of the Project site is designated in LUD No. 12. As a necessary entitlement, this portion of the project site is proposed to change to LUD No. 7 to reflect the proposed new land use and underlining zoning.

The definition of Land Use District No. 7 (Mixed Use) is proposed to be changed to explicitly state that residential uses may be appropriate with industrial development depending on the size and layout of the site and the orientation of the uses relating to one another.

In addition, the Land Use Element discusses seven Activity Centers listed in the General Plan. The project site is located in the Long Beach Airport Activity Center, which identifies three subareas. A new subarea (Area D) is proposed for the Project site. As a result of this new sub area, Area A is proposed to be downsized to reflect consolidation of the aerospace manufacturing facility east of Lakewood Boulevard.

The general policy discussion in the Airport Activity Center is proposed to change to account for the restructuring of the aerospace manufacturing sector in Southern California.

Transportation Element

The Transportation Element establishes the framework for a transportation system that provides sufficient mobility for people and goods throughout the city while accommodating reasonable, balanced growth. The Transportation Element anticipates local growth in major activity centers and programs transportation improvements accordingly. In that regard, the discussion for the Airport Activity Center is proposed to be revised to reflect the Project.

A key component of the Transportation Element is provision for bicycle and pedestrian movement throughout the City. The Project development provides a Class I bicycle route through the Project site. As a result, the proposed Short-Term Bicycle Facilities map is proposed to be updated to reflect the new proposed bicycle routes in the Transportation Element and the companion Bicycle Master Plan.

Noise Element

The Noise Element provides the technical background and policy direction for the Noise Ordinance. The purpose of the Noise Element is to limit the exposure of excessive noise levels to City residents by establishing buffer zones around industrial areas in order to minimize the noise on other adjacent land uses. The requested amendment to the Noise Element revises the industrial land use designation on the project site to mixed use on the Industrial Land Use map (Figure 20) and Long Beach Airport Adjacent Land Use (Figure 16).

VII. REZONING

The applicant is requesting the Planning Commission recommend the City Council approve certain map and text amendments to the Zoning Ordinances and adopt the Douglas Park Planned Development (PD-32) in order to allow development of the subject project. The proposed map amendments rezone the project site from PD-19 (Douglas Aircraft Planned Development) and a small parcel with a zoning designation of CCA (Community Automobile-Oriented Commercial) to PD-32 (Douglas Park Planned Development) (see attachment 10). In order for the Planning Commission to recommend the City Council approve a rezoning of the project site, findings must be analyzed, approved, and incorporated into the record of proceedings. These findings are attached for reference (see attachment 1).

In summary, the rezoning allows the mixed-use development of the Project site, including residential and open space uses on the northern 101 acres and commercial office, retail, light industrial, and aviation-related uses on the southern 137 acres of the Project site. A summary of the features of the Douglas Park Planned Development, as well as the accompanying PD-32 Design Guidelines, are provided below. The most recent draft of these documents is attached for reference (see attachments 5 and 6).

PD-32 – Douglas Park Planned Development

The Municipal Code allows a planned development to be established to allow flexible development plans to be prepared for areas of the City which may benefit from formal recognition of unique or special land use and the definition of special design policies and standards not otherwise possible under conventional zoning district regulations. The applicant has been working with City staff to create a planned development ordinance for the project site in order to effect the change in land use desired by the applicant and secured through the proposed Development Agreement, as well as respond to the various adjacent land uses in a respectful and compatible way. The product is a planned development based largely on development standards of the existing zoning regulations, but refined to respond to the unique surroundings of the Project site and to maximize

opportunities for improved urban design.

Urban Framework

The Project site provides an easily navigable street grid pattern with multiple access points to major streets based on historic precedents in established Long Beach neighborhoods. Alleys are provided on all blocks to minimize driveways and garages facing the public streets. The residential portion of the Project will feature relatively small block sizes, approximately 200 feet in width by 500 feet in length, with the exception of a large block located on the northeast corner of the site. This larger block is situated to provide a buffer between the heavily trafficked intersection of Lakewood Boulevard and Carson Street and low density residential uses toward the center of the site. The commercial portion of the Project located in the southern 137 acres of the site will feature larger block sizes (approximately 500 to 600 feet in width by 900 feet in length) to provide for the flexible development of commercial and light industrial uses.

The urban framework also takes into account compatibility with adjacent land uses and adjacent street alignments where appropriate. Project site access on Carson Street is intentionally misaligned with Lakewood Dr. north of Carson Street in order to prevent thru-traffic through this low-density residential neighborhood. "4th" Avenue is aligned with Runway 16L/34R in order to reduce the risk of exposure to airport-related hazards associated with aircraft operations on this runway. Also, "G" Street is aligned with Conant Street east of the Project site and Cover Street west of the project site in order to facilitate the efficient movement of traffic and provide connection to the existing street system.

Land Use

Generally, PD-32 is designed to allow commercial uses south of "F" Street and residential uses north of "F" Street with two blocks of prescribed pedestrian-oriented ground floor uses in a mixed-use district toward the middle of the site to act as a meeting of the two land uses. Figure 6 shows the proposed sub areas.

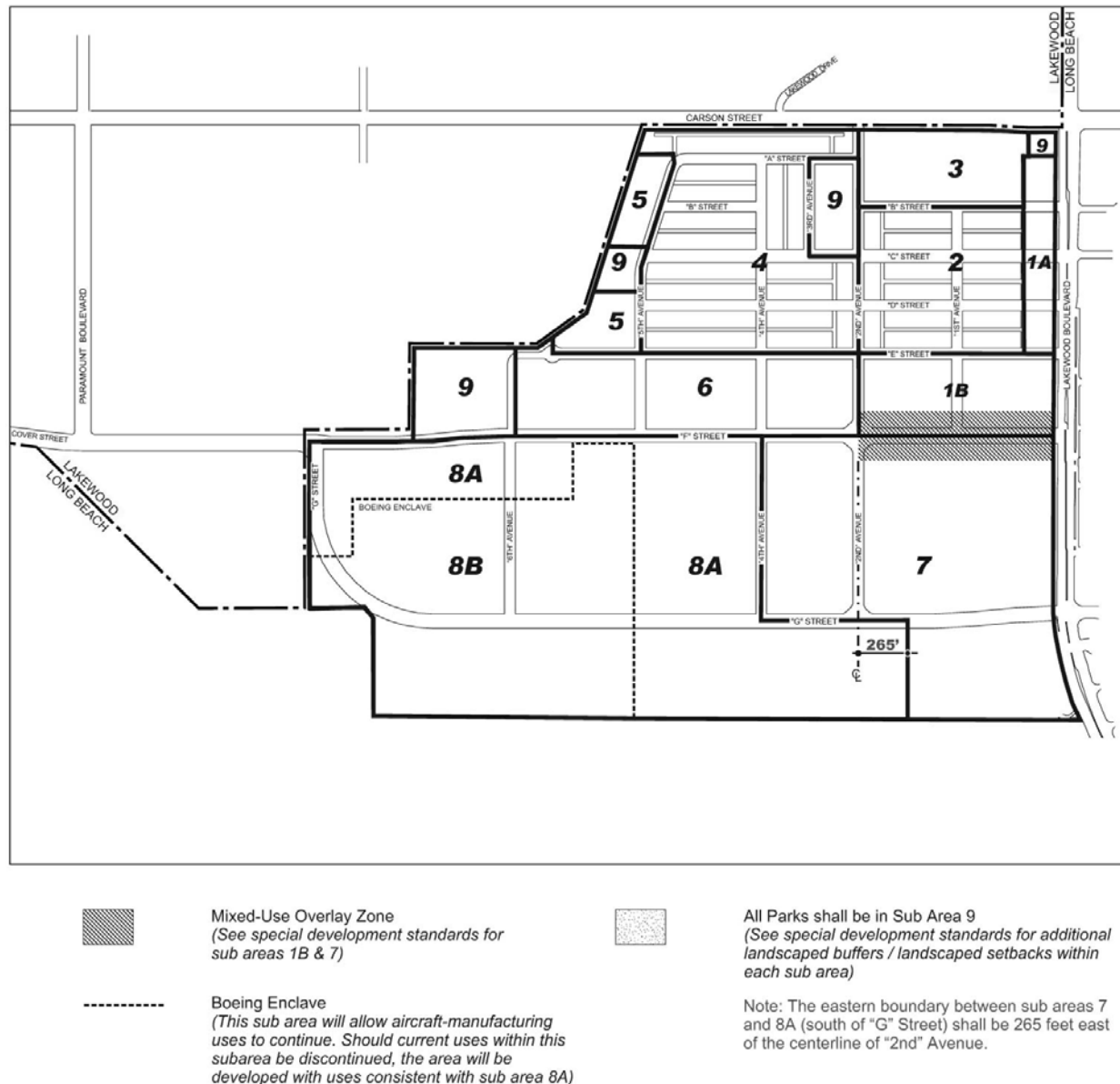


Figure 6: PD-32 Sub Areas

The land uses allowed in the commercial sub areas provide a careful blending of commercial and light-industrial uses in order to allow for high job-producing uses that are fundamentally compatible, or made compatible through design standards, with adjacent residential uses. Sub area 7 is intended primarily as an office commercial zone along with some research and development and light-industrial uses. Retail uses would be allowed in this district, but are limited to a total of 200,000 square feet of floor area (including retail located in the Mixed Use Overlay Zone). Sub area 8 is divided further into sub area 8a and 8b to reflect the continued operation of the Boeing Enclave. Sub area 8a is intended primarily for clean industrial uses and research and development while sub area 8b allows aviation-related uses associated with the Boeing Enclave to continue. Aviation-related uses, including pilot/passenger amenities, charter operations, aircraft rentals, storage and manufacturing may be located in all commercial sub area south of "G" Street, as allowed by the Airport Properties Division.

Residential land uses are allowed in sub areas 1 through 6. Sub area 1 is based on the R-4-N (High-Density Multifamily) zoning district and allows multi-family residential at a density up to 50 dwelling units per acre. It is further divided to reflect the urban design challenges of the Mixed-Use Overlay Zone (1b) as opposed to those challenges facing residential development along Lakewood Boulevard (1a).

Sub area 2 is based on the R-3-T (Townhouse or Row House Residential) zoning district and allows townhome development at a density up to 20 dwelling units per acre. It is intended as a transition between the high-density multi-family development along Lakewood Boulevard and the single-family residential area to the west.

Sub areas 3 and 6 are based on the R-4-R (Moderate-Density Multifamily) zoning district and allow multifamily residential at a density up to 25 dwelling units per acre. Sub area 3 is intended to provide moderate density residential and appropriate in-fill development adjacent to older and lower-density residential to the north of the Project through reduced density and lower profile than Sub area 1a along Lakewood Boulevard. Sub area 6 serves as a continuation of the urban edge established in the mixed use district in subarea 1b, and is intended to act as a buffer between commercial uses to the south and low-density residential to the north.

Sub area 4 is based on the R-1-M (Single-Family Residential on Moderate-Sized Lots) zoning district and allows the development of single-family residences located on 3,500 square-foot and 4,500 square-foot lots consistent with current in-fill development throughout the Southern California region. This sub area is intended to provide suburban relief from the higher density multi-family housing within the Project and provide neighborhood stability to the residential component.

Lastly, sub area 5 is based on the R-4-R (Moderate-Density Multifamily) zoning district and allow multifamily residential at a density up to 27 dwelling units per acre. This sub area is unique in its situation adjacent to the Lakewood Country Club golf course and intended as a permeable development in order to allow the public visual access to this open space.

Development Standards

The PD-32 development standards for each sub area are based on the zoning districts established in the Zoning Ordinance, but further refined to maximize opportunities for good urban design. Therefore, the development standards proposed in PD-32 that are unique to this planned development are described in more detail below.

Height – The proposed height restrictions established through PD-32 are intended to respond to the site context and internal compatibility, as appropriate (see Figure 7). The height restrictions generally allow taller buildings (up to 100 feet and 9 stories) where office and hotel uses are anticipated and gradually lower height restrictions towards the north and west adjacent to older, lower density residential uses and open space. In addition to the height restrictions shown in Figure xx, all new development is required to receive approval from the Federal Aviation Administration (FAA) regarding compliance with Part 77 height limit regulations related to the Long Beach Airport. Part 77 includes several Runway

Protection Zones (RPZ) where no structures are allowed. The PD-32 development standards and Vesting Tentative Tract Map No. 61252 indicate the location of required RPZs.

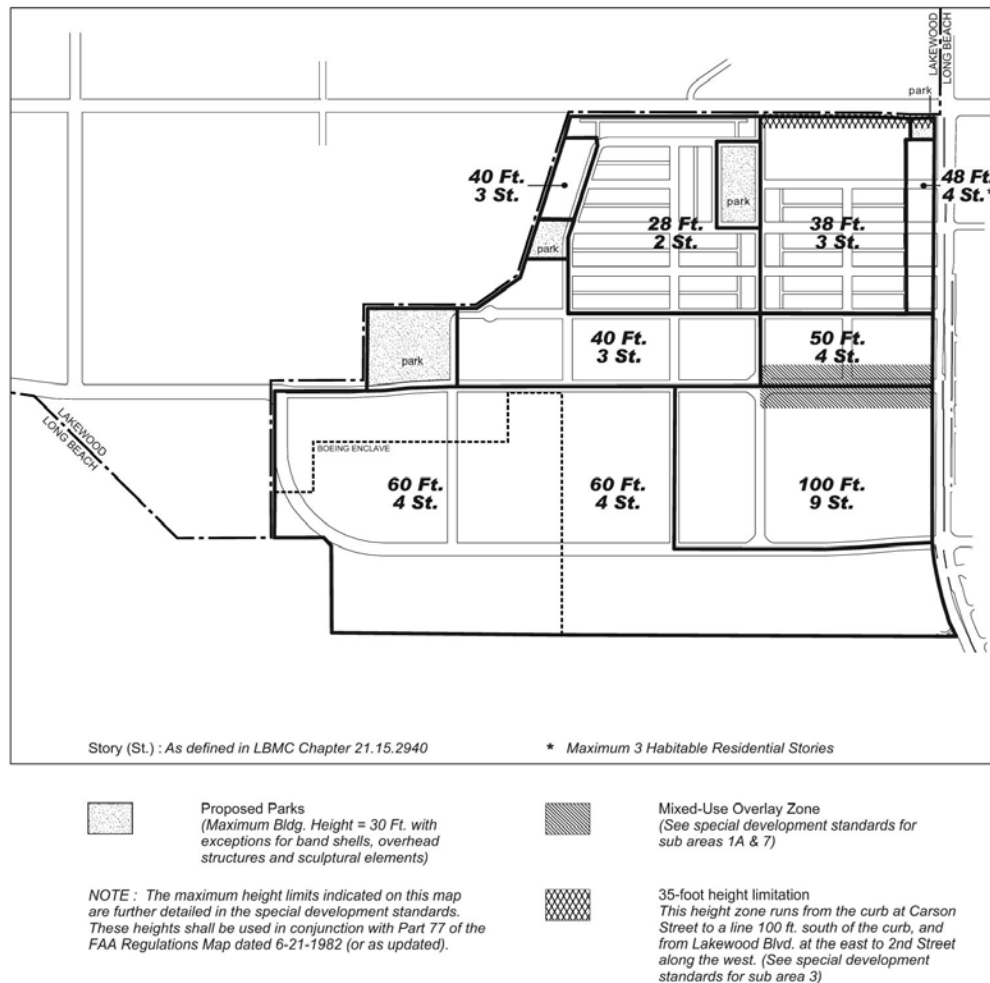


Figure 7: Height Limits

Setbacks – PD-32 provides for building setbacks abutting streets, alleys, and other lots. Required street setbacks vary from 2' for the Mixed-Use Overlay Zone to 40' for development abutting Lakewood Boulevard and Carson Street depending on the land use, classification of street, and other special circumstances to provide general aesthetic improvements and pedestrian circulation. Other yard setbacks are required abutting other lots and alleys in order to provide adequate light, air, pedestrian circulation, emergency access, and general aesthetic improvements. Street setbacks have been identified as mitigation measures in the Project EIR, as follows:

- A 10-foot setback from the property line along Carson Street (excluding the 30-foot bikeway/greenway) east of 2nd Avenue.
- A 26-foot setback from the property line along Carson Street (excluding the 30-foot bikeway/greenway) west of 2nd Avenue.

- A 26-foot setback from the property line along Lakewood Boulevard (excluding the 14-foot right-of-way).
- A 10-foot setback from the property line adjacent to the Lakewood Country Club (excluding the 20-foot bikeway/greenway).
- A minimum 20-foot setback along the limited portions of the Airport edge on the southern and southwestern boundaries of the project site that are not part of the Long Beach Airport Layout Plan Building Restriction Zone. The no-build zone, which is greater than 20 feet in width, extends along most of the southern portion of the project site.
- A 2-foot setback from the property line (excluding the 10-foot right-of-way) along “F” Street between Lakewood Boulevard and “2nd” Avenue for street-oriented retail uses.
- A 10-foot setback from the property line (excluding the 11-foot right-of-way) along “1st” Avenue.
- A 15-foot setback from the property line (excluding the 11-foot right-of-way) along other internal collector roadways, including 2nd and 3rd Avenues, except for those street segments that abut Building Restriction Zones, where adjacent development is not permitted.

Building Projections – While Zoning Regulations for the rest of the City allow for some basic building projections such as roof eaves, bay windows, porches, architectural projections, and the like, PD-32 allows habitable projections in the single-family residential district for up to 50 percent of the homes on a block face in order to create a more intimate neighborhood character. Also, porch projections are mandated on at least 50 percent of the homes in this district to achieve this desired character.

Stepbacks - Building stepbacks are required in addition to building setbacks, and are established to ensure design compatibility between adjacent uses by creating appropriate height and bulk transitions as well as providing for additional light and air between properties in districts where buildings greater than two-stories are allowed. The photo below illustrates a well-implemented example of a building setback at the third story (Figure 8).



Figure 8: Building Stepbacks

Build-to Lines – Build-to lines mandate that buildings on a block face be located a specified distance from the property line in order to achieve urban design that can only be realized on a large scale. While setbacks allow a building to be constructed anywhere outside of the required yard areas, build-to lines prescribe the location of the front of a building. PD-32 prescribes build-to lines along “C” Street and “F” Street between Lakewood Boulevard and “2nd” Avenue to create visually striking major gateways to the Project site. A build-to line is also prescribed along the west side of Lakewood Boulevard in the residential area in order to appropriately respond to the order and width of this major boulevard.

Paseos – Paseos, in the form of mid-block pedestrian connections, are prescribed in Sub area 2 (and encouraged elsewhere through the PD-32 Design Guidelines) of the Project in order to enhance the pedestrian connectivity of this area and provide relief from the building mass inherent in typical townhome development. The paseos help to establish a sense of a place for the entire Project in addition to this specific sub area.

Parking – Parking will be required for all development using the same ratios established in the Zoning Regulations for the rest of the City with the exception of guest parking for multi-family residential uses and public parks. Unlike many areas of Long Beach with a mix of older and newer development, the Project will exhibit adequate off-street parking for all residential and commercial development. Thus, PD-32 allows curbside parking immediately abutting a development site to be applied towards the visitor parking for parks and guest parking for multi-family residential developments. Additionally, with the exception of the large park at the northwest corner of “F” Street and “6th” Street, all proposed parks within the Project will be neighborhood serving. Thus, PD-32 provides for reduced parking requirements for open recreation within parks. Parking requirements for community-related uses at the large park will remain unchanged from requirements established for the rest of the City.

PD-32 Design Guidelines

In collaboration between urban design consultants and Planning staff, the PD-32 Design Guidelines (“Guidelines”) have been created as a companion document to PD-32 in order to provide consistent expectations for development and achieve appropriate urban design for the Project site. The Guidelines are broken down into seven divisions to provide an easy reference for future use, as summarized below.

Division I: Introduction

Division I provides an introduction to familiarize persons interested in developing within the Douglas Park Planned Development with expectations for quality, design, and site planning, while establishing the objectives of the document, as follows:

- Establish a design criteria that acknowledges each project’s obligation to the public realm.
- Provide design principles for the various Sub Areas in the project, and how they should be developed to create a cohesive whole.
- Combine the best of established planning traditions of Long Beach neighborhoods with the realities of contemporary development and modern lifestyle.
- Strive for a high quality development, and establish a strong sense of community rather than an aggregation of isolated projects.

Division II: Public Realm Guidelines

Division II addresses the design of public areas, including the perimeter of the Project site, Project gateways, the Class I bicycle path, streets and infrastructure, and parks. The guidelines provide for the appropriate use of landscaping in key locations, such as at Project gateways, perimeters and parks, as well as emphasize a cohesive, pedestrian-friendly streetscape throughout the Project site through the design of street lights, street furniture, curb ramps, and choice of street landscaping. This division also provides guidance for the development of a comprehensive community signage program and public art program.

Division III: Residential Guidelines

The Residential Guidelines provides general guidance with regard to hardscape, fences, landscaping, screening of utilities, and exterior lighting, as well as provides for more specific guidance with respect to the development of distinct residential housing typologies, including single-family residential, townhomes, and multi-family residential. The Guidelines for single-family residential (Sub Area 4) address such issues as garage and alley conditions, porches, side yard stepbacks to discourage dark, narrow corridors, providing consistent roof forms and providing at least five-to-six distinct home variations per block frontage. The townhome products (Sub Area 2) provide a unique opportunity for urban design, if implemented properly. The Guidelines address the thoughtful design of entry stoops, windows and doors,

rooflines and garages in order to carry out the design intent. The multi-family residential Guidelines (Sub Areas 1, 3, 5, and 6) identify the unique context and goals of each of the multi-family residential sub areas while also addressing more general issues related to site planning, design of parking/service areas, design of common open space and use of quality materials. The Guidelines provide graphics and photographs in order to reinforce design goals provided in text (See Figure 9 and 10).

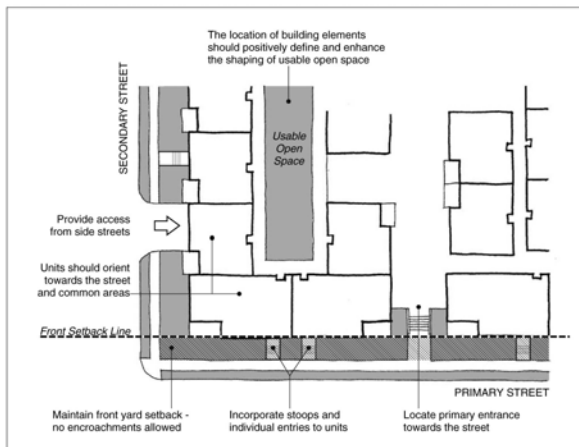


Figure 9: Site Planning Issues



Figure 10: Emphasize Porches

Division IV: Mixed-Use Overlay Zone Guidelines

This division addresses the development of internally compatible mixed-use projects that positively contribute to the goal of creating a cohesive, pedestrian-oriented street. Urban design issues such as design of retail space and storefronts, parking areas, signage, massing and form are considered in order to achieve this goal.

Division V: Commercial/Industrial Guidelines

The intent of Commercial/Industrial Guidelines is to provide flexibility in the development of commercial space while achieving positive urban design that is compatible with adjacent residential uses. Guidance regarding the screening of undesirable commercial elements such as loading, mechanical equipment and parking areas is combined with lush landscaping to achieve this design goal. Additionally, specific guidance is provided for the design of hotel and business park developments.

Division VI: Crime Prevention Through Environmental Design

This division is organized to address crime prevention through environmental design as it applies to residential/open space uses, the mixed-use area and commercial/light industrial land uses. This topic is addressed in the Project EIR as a mitigation measure to discourage criminal activity at large and is based on preventative measures suggested by the Long Beach Police Department.

Division VII: Plant Palette Appendix

The Plant Palette Appendix provides a plant palette to aid developers, landscape architects and city planners in designing and approving landscape plans that encourage and emphasize drought-tolerant and native landscaping. Maximizing use of such landscaping will minimize the effects of cyclical water shortages on landscaped areas within the Project site, while providing an attractive setting for residents, workers and visitors to the site.

VII. OTHER AMENDMENTS

The applicant is requesting approval of these other necessary text amendments to the Municipal Code in order to implement the Project:

- Zoning text amendments are required to add “PD-32 – Douglas Park” to the list of established planned development districts in Chapter 21.37 (Planned Development Districts);
- Add “Douglas Park Development Agreement” to the list of current development agreements in Chapter 21.29 (Development Agreements);
- Amend PD-19 (Douglas Aircraft Planned Development) by updating the maps and master plan contained within to reflect the vacancy of the Boeing aircraft manufacturing plant from the Project site (see attachment 9); and
- Amend the Noise District Map contained in Section 8.80.160 of the Long Beach Municipal Code must be amended to reflect the establishment of residential use at the Project site consistent with other residential areas in the City (see attachment 8).
- Establish a Fee of \$2,000 for the annual review of Development Agreements.

VIII. VESTING TENTATIVE TRACT MAP NO. 61252

The applicant is requesting the Planning Commission approve Vesting Tentative Tract Map No. 61252 in order to allow the subdivision of the former manufacturing plant in conjunction with the development of the Project (see attachment 11). The applicant intends to file multiple final maps over the life of the Development Agreement. The number of proposed phases is not available at the time of this report, but will be conveyed to the Commission prior to the public hearing. Pursuant to Long Beach Municipal Code Chapter 20.04 and the State of California Government Code Section 66473 *et seq.* (Subdivision Map Act – Requirements), certain findings must be made prior or concurrently with any approval or denial of Vesting Tentative Tract Map No. 61252. These findings are attached for reference (see attachment 2).

Approval of the Vesting Tentative Tract Map provides for the urban framework that supports the land uses and design guidelines prepared for the proposed Douglas Park Planned Development (PD-32) District. Street design and widths have been reviewed by the Department of Public Works, Long Beach Energy and the Long Beach Fire Department to ensure that the street grid provides adequate and balanced access to and through the site for various modes of travel, as well as provide for the efficient use of such network for utility and emergency services. In addition to meeting the basic requirements for the

access to and through the site, the proposal includes several physical upgrades intended to enhance the character of the community, such as pedestrian bulb-outs at street intersections in the residential area, landscaped parkways along all streets between the roadbed and sidewalk, and substantially landscaped setbacks along Lakewood Boulevard and Carson Street.

The proposed street hierarchy provides for a logical distribution of traffic generated by uses within the site as well as for traffic through the site. "G" Street is intended as the primary east/west commercial street to accommodate thru-traffic, while "F" Street is intended as the primary east/west mixed-use street for employees, residents, and visitors of development at the Project site. "2nd" Avenue is the only north/south street through the Project site with access to Carson Street. This avenue is designed with traffic calming devices such as a "round-a-bout" at the intersection of "F" Street, stop signs, and pedestrian bulb-outs to discourage cut-thru traffic from commercial tenants traveling north to Carson Street. The street network is designed to encourage commercial tenants to utilize "G" Street as a connector to major north/south streets in the vicinity of the Project site, including Lakewood Boulevard, Paramount Boulevard, and Cherry Avenue. "G" Street will include two lanes of traffic in each direction, signalized intersections where appropriate, and exclusive turn lanes onto major streets.

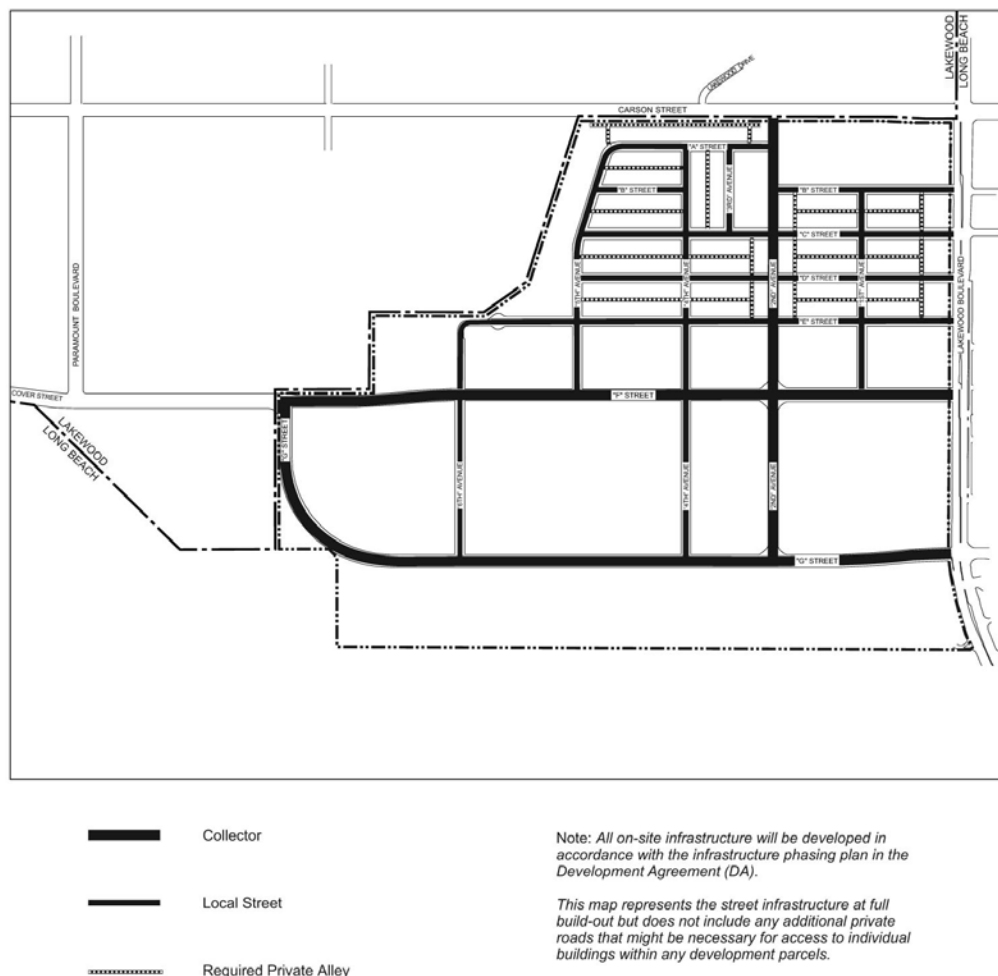


Figure 11: Street Hierarchy

In addition to the above-mentioned agencies, Vesting Tentative Map No. 61252 was submitted for review to the Water Department, utility companies, City of Lakewood, and other such agencies that may be affected or may have an interest in the proposed subdivision, in accordance with Section 20.12.050 of the Subdivision Regulations. Comments from state and county governmental agencies were obtained during the EIR process in response to the Draft EIR, while comments from all City Agencies were provided at a Technical Advisory Committee meeting held on June 9, 2004. All comments and concerns from these agencies have been incorporated as conditions of approval to ensure the proper development of the Project (see attachment 3).

IX. ADVISORY BODIES

The proposed Douglas Park development project is within the advisory purview of the following advisory bodies established by the Charter of the City of Long Beach: the Airport Advisory Commission; the Economic Development Commission; and the Parks and Recreation Commission. All three advisory bodies have received updates on the status of the project on a regular basis and have made official actions in the form of recommendations to the City Council and .

Airport Advisory Commission

The Airport Advisory Commission (AAC) is charged with the task of advising and recommending to the City Council and City Manager on matters pertaining to the Long Beach Municipal Airport. The Project site is adjacent to the airport and is affected by four of the airport's runways. The AAC met to discuss the subject project on at least six separate dates: November 20, 2003; March 18, 2004; May 20, 2004; June 17, 2004; July 21, 2004 and August 19, 2004. At their August 19, 2004 meeting, the AAC voted 4-3 to support the Project provided the residential component is removed.

In taking this action, the AAC acknowledged the Project's intended sensitivity to the Airport, including land use regulations that support 3.3 million square feet of commercial, light industrial, general aviation uses abutting the Airport, retail, and 400 hotel rooms, and compliance with the regulatory documents and agencies related to airport planning. However, the AAC believes that allowing residential uses in closer proximity to the airport over land that has historically been airport-related is not in the best interest of the Airport.

There are local neighborhood groups concerned with noise generated by commercial aircraft approaching and departing the Airport. Runway 12/30 is the only runway that is used by commercial aircraft. Although this runway does not facilitate commercial flights traveling directly over the Project site, the AAC is concerned that future residents in this Project site will lead to complaints regarding ambient noise generated from this runway and general aviation activity on any of the Airport's four other runways.

Staff believes that an aviation easement prepared by the City Attorney's Office, in conjunction with implementation of the various conditions of approval mentioned in the "Airport Compatibility" section above, is sufficient in protecting the interest of the Airport with regard to the proximity of proposed residential uses at the Project site. The aviation easement is provided on Vesting Tentative Map No. 61252 and would be conveyed to all subsequent property owners of the Project site in order to reduce the Airport's liability related to noise generated from aviation activities. Additionally the EIR finds that the Project would not result in any potentially significant adverse impacts to the areas of Land Use and Hazards and Hazardous Materials with proper mitigation measures. Thus, staff believes that the concerns of the AAC and the Airport have been adequately addressed.

Economic Development Commission

The Economic Development Commission (EDC) is charged with the task of advising and recommending to the City Council and City Manager on matters pertaining to activities affecting economic development within the City. The Project site represents one of the last remaining large-scale opportunities to create economic growth and jobs that would benefit the City and the region. The Commission and a subcommittee of members specifically formed to analyze this project, met on several occasions, including November 19, 2003, January xx, 2004, March 17, 2004 and July 21, 2004. On this later date, the Commission voted to support the Project as proposed with certain qualifications (see attachment 15).

The EDC believes that the best use of vacant commercial/industrial property is quality commercial development that creates high paying jobs and enhances the City's economic development. While the EDC prefers the currently proposed Project over previous proposals, the EDC supports further evaluation of the amount of acreage allocated for residential use in the project. If housing is to be allowed, the EDC suggests that the community be designed to minimize the fiscal impact on the City and that rental housing be minimized to offset the already high proportion of rental housing stock in the City.

The EDC believes that the Project should maximize job-creating commercial uses such as high quality business parks, retail and hospitality uses, while prohibiting freestanding warehousing or distribution uses. Airport-related commercial uses are also supported. The EDC suggests emphasis on the design of the Project and strongly suggests that the City take a proactive role by not permitting a "cookie cutter" development at the site in order to facilitate a unique and creative environment that is attractive to businesses.

The comments of the EDC have been incorporated into the Project through the development of land use regulations in PD-32, the reduction of the number of housing units, a decrease in the proportion of rental units to less than 30 percent of all residential units, and the development of the PD-32 Design Guidelines in order to facilitate the creation of a unique and creative mixed-use community.

Parks and Recreation Commission

The Parks and Recreation Commission is a “responsible agency” under the CEQA and is charged with forming a recommendation to the City Council and City Manager regarding the appropriate location and design of the parks and open space in the Project. The Commission and its applicable subcommittee met to discuss the Project on four separate dates, November 20, 2003; February 9, 2004; March 5, 2004; and March 18, 2004. On this late date, the Parks and Recreation Commission voted unanimously to recommend that the Planning Commission certify the EIR with comments (see attachment 16)

The Parks and Recreation Commission found that the appropriate level of service for Recreational Services that avoids an adverse effect is the current citywide average level of service and that the proposed level of Recreational Services provided in total public park space, including local, community, and regional levels of service, when including the acquisition of off-site open space through the payment of park impact fees, is adequate if the fee is corrected for lost purchasing power since 1989. The Commission also provided a list of recreational facilities necessary to avoid adverse effects to Recreational Services.

The comments of the PRC are incorporated into the Project through the terms of the Development Agreement that require the provision of 13 acres of private and public open space in addition to the payment of parks and recreation impact fees at current rates for all new construction, through the conditions of approval that require the creation of suggested recreational facilities, and through the establishment of the PD-32 Design Guidelines that suggests appropriate locations for these facilities. The City’s parks and recreation impact fees have not been increased since they were initially created in 1989. The Development Agreement does not provide for the correction of parks and recreation impact fee’s lost purchasing power since 1989. However, the City’s negotiation team believes that the applicant is already providing more than double the amount of mitigation than other development in the City through the provision of fully improved and dedicated public parks to be maintained privately in perpetuity.

X. PUBLIC HEARING NOTICE

As per the requirements of Division III – Noticing Requirements of the Zoning Ordinance, a legal notice was sent to all owners of real property as shown on the latest equalized assessment roll within at least 500 feet of the subject site on September 22, 2004. Notices were also sent to all City Council members, City libraries, all persons who responded to the EIR and all local community groups that have requested such notice. A public hearing notice was printed in the Press Telegram on September 18, 2004 in accordance with Section 6061 of the California Government Code. Notices were also posted at City Hall.

Additionally, as of the date of this report, the applicant has scheduled community meetings for September 25 and 29, 2004 in an effort to inform the public of the status of the Project prior to public hearings.

XI. SUMMARY

The Project site, at 238 acres in size, provides a significant economic opportunity for the property owner, Boeing Realty Company, and the City of Long Beach. Redevelopment of the site must balance the financial interests of the property owner and the economic and social interests of the City. Negotiations over the past four years have resulted in a substantially revised Project that, according to the City's economic development consultants, provides the most viable resolution for redevelopment of the site.

The phased Project is designed to respond to market conditions by supplying housing opportunities and commercial infrastructure in earlier phases and anticipating commercial development and completion of the housing portion in later phases. Parks and other infrastructure will be provided in accordance with the needs of residential uses on-site in order to provide adequate access and recreational opportunities to residential occupants.

The applicant is requesting approval of a Vesting Tentative Map in order to subdivide the site to allow for individual development and ownership of several lots, a Development Agreement to provide rational expectations for development of the site, Rezoning of the site and establishment of a Planned Development and Design Guidelines to set expectations for development consistent with the Development Agreement, and several Zoning and General Plan Amendments to allow the development to proceed.

An EIR was prepared in accordance with the CEQA and found that the project may result in significant, unavoidable impacts to the environment in the areas of the air quality, noise, transportation/circulation and parking, cultural resources, hydrology, police, fire and emergency services, and libraries. However, staff finds that significant economic, legal, social, technological and other benefits of the Project outweigh and override those potentially significant adverse environmental impacts of the project identified in the EIR.

The Planning Commission will be responsible for reviewing future development within the Project using the Douglas Park Planned Development (PD-32) and PD-32 Design Guidelines as appropriate tools. The Planned Development carries out the intent of the Development Agreement and the Design Guidelines carry out the intent of creating a high quality mixed-use development with emphasis on neighborhood stability, smart growth principles and compatibility between uses.

IT IS RECOMMENDED THAT THE PLANNING COMMISSION

1. Certify Environmental Impact Report 36-02 and Adopt a Statement of Overriding Considerations and Mitigation Monitoring Program;
2. Recommend the City Council Adopt an Ordinance To Authorize the Execution of the Development Agreement by the City Manager on Behalf of the City;
3. Recommend the City Council Adopt a Resolution to Establish a Fee for the Annual Review of the Development Agreement;

4. Recommend the City Council Adopt the Proposed Amendments to Douglas Aircraft Planned Development (PD-19) Ordinance;
5. Recommend the City Council Adopt the Rezoning of the Site from Douglas Aircraft Planned Development (PD-19) and CCA (Community Automobile-Oriented District) to Douglas Park Planned Development (PD-32);
6. Recommend the City Council Adopt the Douglas Park Planned Development (PD-32) Ordinance;
7. Adopt the PD-32 Design Guidelines;
8. Approve Vesting Tentative Tract Map No. 61252, subject to conditions;
9. Recommend the City Council Adopt a Resolution to Amend the Land Use, Transportation, and Noise Elements of the General Plan and the Bicycle Master Plan; and
10. Recommend the City Council Adopt the Proposed Amendments to Section 21.37.020 and the Noise District Map of Section 8.80.160 of the Municipal Code.

Respectfully submitted,

FADY MATTAR
ACTING DIRECTOR OF PLANNING AND BUILDING

By: _____
JOE RECKER
PLANNER II

Approved: _____
GREG CARPENTER
PLANNING BUREAU MANAGER

Attachments

1. Rezoning Findings
2. Vesting Tentative Map No. 61252 Findings
3. Conditions of Approval
4. Douglas Park Development Agreement
5. Douglas Park Planned Development (PD-32)
6. PD-32 Design Guidelines
7. General Plan Amendments
8. Municipal Code Amendments
9. PD-19 Amendments
10. Zoning Map Amendment
11. Vesting Tentative Map No. 61252
12. Final EIR – Volumes VI-VIII
13. Resolution Certifying the EIR, Adopting Statement of Overriding Considerations and Adopting Mitigation Monitoring and Reporting Program

14. Keyser Marston Associates, Inc. Memo
15. Economic Development Commission Recommendation
16. Parks and Recreation Commission Recommendation
17. "Reasons Why Project Should Be Approved" and other application materials submitted by Applicant